

AMENDED IN ASSEMBLY JUNE 1, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

Assembly Joint Resolution

No. 35

Introduced by Assembly Member Brown

(Principal coauthor: Senator Liu)

(Coauthors: Assembly Members Hadley, Levine, and Lopez Lopez, Achadjian, Alejo, Arambula, Atkins, Baker, Bigelow, Bonilla, Bonta, Brough, Burke, Calderon, Campos, Chang, Chau, Chávez, Chiu, Chu, Cooley, Cooper, Dababneh, Dahle, Daly, Dodd, Eggman, Frazier, Beth Gaines, Gallagher, Cristina Garcia, Eduardo Garcia, Gatto, Gipson, Gomez, Gordon, Gray, Grove, Harper, Roger Hernández, Holden, Irwin, Jones, Jones-Sawyer, Kim, Lackey, Linder, Low, Mathis, Mayes, McCarty, Medina, Melendez, Mullin, O'Donnell, Olsen, Patterson, Quirk, Rendon, Rodriguez, Salas, Santiago, Mark Stone, Thurmond, Wagner, Waldron, Weber, Wilk, Williams, and Wood)

March 17, 2016

Assembly Joint Resolution No. 35—Relative to the Supplemental Nutrition Assistance Program.

LEGISLATIVE COUNSEL'S DIGEST

AJR 35, as amended, Brown. Supplemental Nutrition Assistance Program: cash-out policy.

This measure would request the federal government to change federal policy in order to allow California to equitably end the Supplemental Nutrition Assistance Program (SNAP) cash-out policy, administered through the Supplemental Security Income (SSI) and the State Supplementary Payment (SSP) programs, in a way that would maximize benefits to, and participation among, newly eligible individuals and

mitigate or eliminate harm to low-income families and the approximately 60,000 medically needy children who could be made ineligible for certain benefits under a program without the cash-out policy.

Fiscal committee: yes.

1 WHEREAS, The federal Supplemental Nutrition Assistance
2 Program (SNAP), formerly known as the Food Stamp Program,
3 offers nutrition assistance to millions of eligible, low-income
4 individuals and families and provides economic benefits to
5 communities. Nevertheless, many low-income seniors and people
6 with disabilities in California, who have difficulties obtaining
7 sufficient food, cannot receive assistance through SNAP; and

8 WHEREAS, SNAP, known as CalFresh in California, supports
9 millions of low-income Californians who meet income, resource,
10 and other tests. This program provides monthly benefits through
11 an electronic benefit transfer (EBT) card, analogous to a debit
12 card, that can be used to purchase food; and

13 WHEREAS, SNAP benefits, which are available to most
14 households living with incomes at, or below, 130 percent of the
15 federal poverty level, are provided on a sliding scale based on
16 income, household size, and certain household expenses; and

17 WHEREAS, The federal Supplemental Security Income (SSI)
18 program provides income support to the elderly, blind, or disabled
19 who meet income, resource, and other tests, and the State
20 Supplementary Payment (SSP) program supplements SSI benefits;
21 and

22 WHEREAS, The estimated average in supplemental nutrition
23 assistance for an SSI/SSP recipient is \$135 per month, but 1.3
24 million SSI/SSP recipients in California are ineligible for SNAP
25 due to a policy known as cash-out; and

26 WHEREAS, California's cash-out policy was established in
27 1974, when the federal government began the combined
28 federal-state SSI/SSP program. Under the cash-out policy,
29 California chose the option of cashing out SNAP benefits to
30 SSI/SSP recipients by including the estimated value of SNAP
31 benefits, approximately \$10 per month in California as set in 1974,
32 within SSI/SSP benefits; and

33 WHEREAS, By adding the \$10 amount into existing SSI/SSP
34 payments, California reduced state administrative and other
35 expenditures associated with the high costs of delivering a small

1 amount of CalFresh benefits to each SSI/SSP recipient on a
2 monthly basis. The incorporation of the SNAP benefit into the
3 SSI/SSP payment prevented SSI/SSP recipients in California from
4 being eligible for SNAP; and

5 WHEREAS, California is the only state in which SSI/SSP
6 recipients are ineligible for SNAP under this policy; and

7 WHEREAS, In 1974, many elderly, blind, or disabled SSI/SSP
8 participants were only eligible for minimal SNAP benefit amounts,
9 and the combined SSI and SSP income received by participants
10 was high enough that it limited the amount of SNAP benefits for
11 which SSI/SSP recipients were eligible; and

12 WHEREAS, California's SSI/SSP recipients are now living
13 much closer to, or below, the federal poverty level than they were
14 when the program began. In 1980, for example, an SSI/SSP benefit
15 put a recipient's income threshold at 128 percent of the federal
16 poverty level. In 2016, an SSI/SSP benefit put a recipient's income
17 threshold at about 91 percent of the federal poverty level; and

18 WHEREAS, Over the years, California's SSI/SSP benefits have
19 risen and fallen, and the annual, automatic cost-of-living adjustment
20 (COLA) for SSI/SSP was repealed in California in 2009; and

21 WHEREAS, SSI/SSP recipients in California, on average, would
22 be eligible for far more CalFresh benefits today than the \$10
23 monthly amount that they have been receiving since 1974 as food
24 assistance in their SSI/SSP checks; and

25 WHEREAS, Technology has advanced to a point where
26 electronic benefits could be made available to an SSI/SSP recipient
27 if the state developed a method of activating an EBT card by asking
28 questions telephonically, or through other efficient means, to
29 determine if the automatically calculated benefits are correct; and

30 WHEREAS, California's cash-out policy hurts many low-income
31 seniors and people with disabilities. Continuing the cash-out policy
32 at this time poses many significant risks to these individuals' health
33 and well-being; and

34 WHEREAS, California's cash-out policy benefits some mixed
35 SSI/SSP households, where some members of the household
36 receive SSI/SSP benefits and other members do not, resulting in
37 greater CalFresh benefits overall for the household. California
38 could provide mixed SSI/SSP households with alternative benefits
39 to replace the reduced or eliminated CalFresh benefits resulting
40 from an end to the cash-out policy; now, therefore, be it

1 *Resolved by the Assembly and the Senate of the State of*
2 *California, jointly,* That the Legislature of the State of California
3 requests the federal government to change federal policy in order
4 to allow California to equitably end the SNAP cash-out policy in
5 a way that would maximize benefits to, and participation among,
6 newly eligible individuals and mitigate or eliminate harm to
7 low-income families and the approximately 60,000 medically
8 needy children who could be made ineligible for certain benefits
9 under a program without the cash-out policy; and be it further
10 *Resolved,* That the Chief Clerk of the Assembly transmit copies
11 of this resolution to the President and Vice President of the United
12 States, to the Speaker of the House of Representatives, to the
13 Majority Leader of the Senate, to each Senator and Representative
14 from California in the Congress of the United States, and to the
15 author for appropriate distribution.